IN THE SPECIFICATION

Please amend the specification as follows:

Replace the paragraph on page 8, between lines 5-8 of the specification with the following:

Thus, flashing light 103 from the hand-held device 101 that enters the camera 111 is focused to approximately a point and recorded as an incident intensity level by one or a small group of pixels 115. The digital camera 111 processes and transmits the light level recorded in each pixel in digitized form to a control unit 121 in circle grid 111a Fig. 1.

Replace the paragraph on page 17, between lines 8-21 of the specification with the following:

In like manner as described above for the first embodiment, the system can detect and track multiple hand-held devices wielded by multiple users. Thus, two or more hand-held devices may each independently control a separate cursor or other movable feature on the display. Each cursor (or movable feature) moves on the screen independently of the other cursors (or movable features), since each cursor moves in response to one of the hand-held devices as mapped by the control unit 121. The two or more hand-held devices

may have an identical flashing frequency or pattern, or they may have different frequencies. In addition, the LEDs may emit light of different wavelengths, which likewise enables the control unit 121 to more readily identify and/or discriminate the light signals emitted in the images. As noted above in the description of the first embodiment, the light from LEDs 101,—103, 303 may be more readily differentiated in the images by the control unit if they flash at different frequencies and/or have different wavelengths. The emitted light may be any wavelength of visible light that may be detected by the camera. If the camera can detect wavelengths outside of visible light, for example, infrared light, the handheld device(s) may emit at that wavelength.